



# 128th MAINE LEGISLATURE

LD 1163

LR 145(03)

## An Act To Authorize a General Fund Bond Issue To Provide Funding for a Program of Student Debt Cancellation and Refinancing

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Appropriations and Financial Affairs

Fiscal Note Required: Yes

### Fiscal Note

Current biennium cost increase - General Fund

Bond Issues	Term (years)	Principal	Rate (%)	Interest	Total Cost
General Fund - Taxable	10	\$25,000,000	4.75%	\$6,531,250	\$31,531,250

Referendum Costs	Month/Year	Election Type	Question	Length
	Jun-18	General	Bond Issue	Standard

The Secretary of State's budget does not include funding for the June 2018 election. The department would require a General Fund appropriation of \$155,000 to cover the costs of producing and delivering the ballots and the Citizen's Guide to the Referendum Election.

#### Fiscal Detail and Notes

The Finance Authority of Maine estimates its cost to establish and operate the Student Debt Cancellation and Refinance Program to be between \$75,000 and \$100,000 per year, or between 3% and 4%, assuming annual bond activity of \$2,500,000 per year over the 10 year period. Because this legislation provides that a portion of the bond monies may be used for administrative costs, no General Fund appropriations are required.